Agriculture and Agri-Food Canada | Agriculture et Agroalimentaire Canada

2015 Canadian Agricultural Outlook

Canada

Information contained in this report is current as of February 11, 2015.

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AAFC No. 12325E

Paru également en français sous le titre Titre du document *Perspectives agricoles canadiennes 2015*

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Executive Summary

The 2015 Canadian Agricultural Outlook projects that net incomes for Canadian farmers will reach a record level in 2014. Growing strength in the cattle and hog industry, strong crop sales resulting from high carry-in stocks despite softening grain prices, and relatively stable input costs produced a record farm income in 2014 and will continue to sustain the agricultural economy in 2015.

Aggregate net cash income for 2014 is projected to total $14.0 billion, a new record, while farm level average net operating income is forecast to be $78,139, also an all time high. For 2015, our preliminary forecast suggests that farm incomes will be down moderately, but remain historically high at $13.0 billion. The main contributing factor to the modest decline will be lower grain and oilseeds receipts, driven by lower prices due to the U.S. bumper crop in 2014. Lower prices will also be felt in 2015 because of high world stocks. However, a weakening of the Canadian dollar makes our products more competitive and will temper some of the declines in crop prices. The recent decline in fuel prices will also contribute positively to agriculture income, however the recent volatility in crude oil markets makes it difficult to estimate the full impact on fuel costs. Similarly for the exchange rate, a weaker dollar improves revenues of producers, but the recent volatility in the exchange rate makes estimating the full impact uncertain.

In the latter part of 2014, grain and oilseed prices declined following an unprecedented U.S. corn and soybean harvest, but Canadian sale volumes remained strong, partially offsetting these factors. Grain and oilseed sales increased as farmers carried forward a large portion of their record 2013 crop into 2014. A larger than average 2014 harvest also supported grain and oilseed sales. Global prices for grains and oilseeds are projected to increase over the medium term.

Horticulture will see stable receipts overall in the forecast. Lower apple, cranberry and grape receipts will be offset by stronger blueberry sales in 2014. The story shows little change for 2015 for most horticulture crops, with some growth in greenhouse receipts over the two years.

In livestock, the cattle and hog sectors enjoyed record prices in 2014 due to low North American supplies, and weakening feed grain prices also contributed to higher incomes. Although total livestock receipts will not change significantly in 2015, cattle receipts will continue to benefit from tight markets and higher prices. Cattle producers, who normally operate on relatively low margins, will see record profits as live animal prices remain at high levels and feed grain prices continue to be soft.

Hog producers have seen high levels of price and income variability over the last decade, and this variability is expected to continue over the near term. Increased availability of slaughter hogs in North America in 2015, and its effect on prices, will lead incomes to return to long term average levels following the income surge in 2014.

Incomes in the dairy and poultry sectors will remain at high levels compared to other sectors and will not show significant growth in 2015, as prices and costs of production are holding relatively steady.

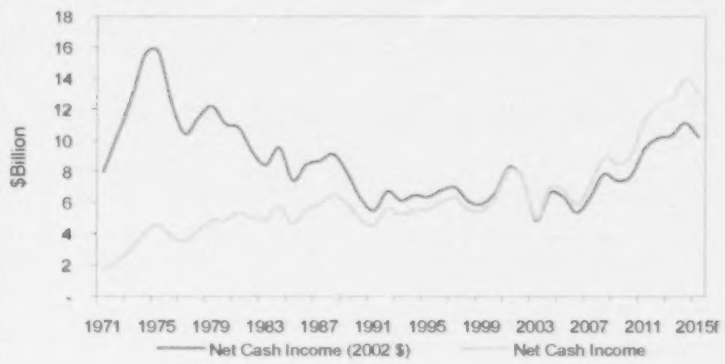
Average total income of farm families, which includes the family's share of net operating income from the farm and other family income, is projected to reach $131,595 in 2014 and $134,931 in 2015. Average net worth per farm is expected to set new records of $2.0 million in 2014 and $2.1 million in 2015.

Program payments declined in 2014 as a result of generally healthy returns in agriculture over the last several years. Among the provinces, Nova Scotia and Saskatchewan saw increased program payouts while Quebec, Manitoba and Ontario saw declines in program payments. Program payments are expected to be slightly higher in 2015 due to a return to normal yields assumed in the forecast.

The medium term prospects for agriculture and agri-food demand and trade are positive. Rising global economic growth and increasing incomes in large emerging countries will continue to spur demand side growth and Canada will continue to be an important supplier in many of these markets.

Canadian farm incomes have grown steadily since 2008 and are continuing to achieve historical highs. The Canadian Agricultural Outlook indicates that Net Cash Income (NCI) increased by 10% in 2014 to reach a record $14.0 billion. In real terms, this is the highest level in more than a generation. In 2015, NCI is forecast to be 6% lower, but this is still 21% above the 2009-2013 average, and the longer term outlook remains very positive.

Chart 1: Net Cash Income, Canada: Historical and Forecast



Source: Statistics Canada, AAFC Calculations

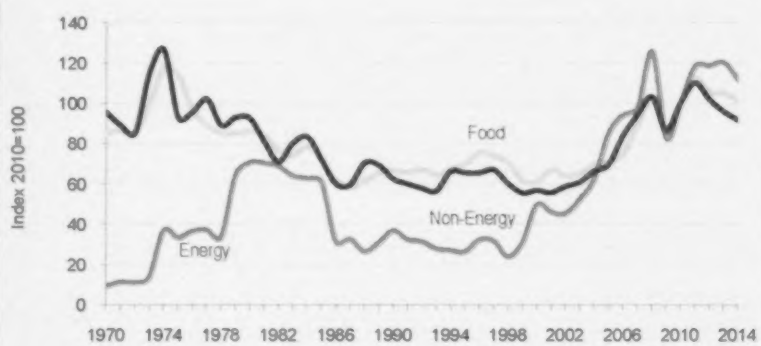
The current robust income levels reflect the broader international market conditions, which follow several years of improving profitability, and which were, in turn, preceded by a period of declining real prices and real incomes.

Prior to 2000, key agricultural commodity prices, as represented by the FAO food price index (yellow line), showed a relatively steady downward trend. Improvements in technology and relatively lower input costs contributed to increased global supplies and declining real agricultural prices.

Since 2000, demand side factors have helped propel the food price index upward. Rising global food and non food demand for key commodities (cereals, meat, dairy, vegetable oil and sugar) have moved the index up significantly over the last decade.

The real energy price index (green line) has shown a significant level of volatility over the past 45 years. Although food and non-energy indices have risen considerably since the late 1990s, their growth has been more limited than that of energy.

Chart 2: Real Price Indices: Food, Energy, Non-Energy (2010=100)

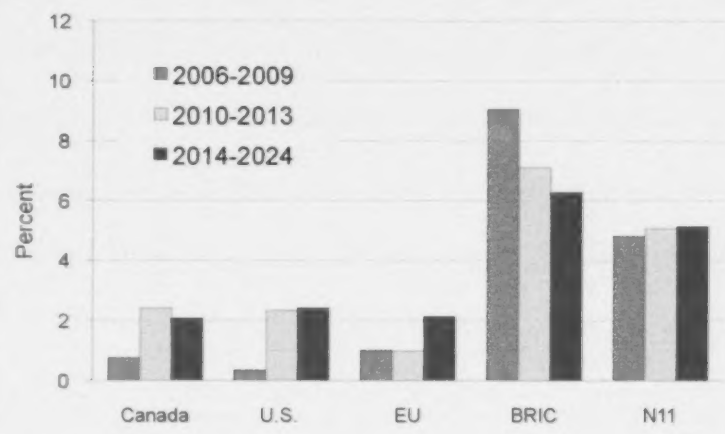


Source: World Bank, FAO, AAFC Calculations

Global demand for agri-food products is linked to economic growth rates of key emerging economies with large population bases, rapid urbanization and rising incomes.

These economies continue to drive global growth in demand for primary agricultural products, meat, dairy and feed, as well as processed food products. Growth in non-food demand from biofuels may be less than what was observed in the past ten years as mandates are met and expansion is driven by the underlying economic conditions.

Chart 3: Average Annual GDP Growth



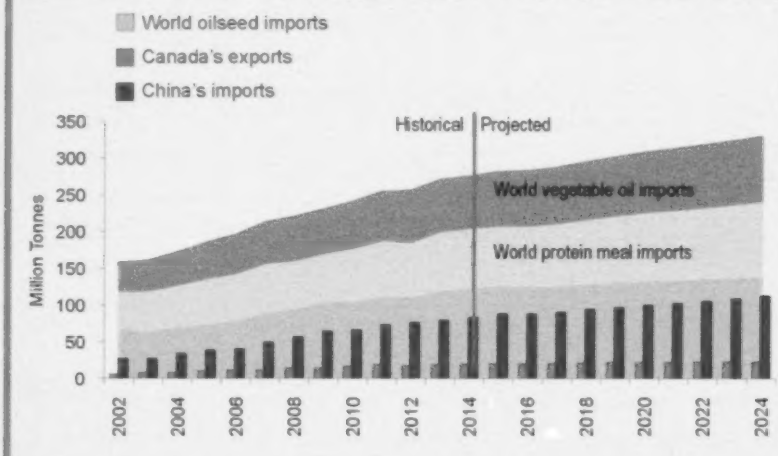
Source: OECD-FAO, IMF, AAFC Calculations

Although the BRIC (Brazil, Russia, India and China) economies are projected to see a dampening of growth in the near term, relatively high growth rates over the medium term will continue for the Outlook. Other emerging markets, referred to as the N11 (Egypt, Bangladesh, Indonesia, Iran, Mexico, Nigeria, Pakistan, the Philippines, Turkey, South Korea and Vietnam), will play an increasing role in global growth.

While advanced economies will continue to play an important role in agriculture and agri-food product demand, their rates of consumption growth will be limited by slow population growth and relatively high average incomes, since the level of food consumed tends to level off once disposable income reaches a high level.

Global trade in agricultural commodities has flourished as a result of this growth in demand. While Canadian producers have reaped the benefits of this recent growth, the resulting higher prices are also creating incentives for competitors to enter the global market place. As such, maintaining and growing access to new and emerging markets will be very important for the sector's continued long term competitiveness.

Chart 4: Trade in Oilseed, Protein Meal and Vegetable Oil Trade: 2002-2024



Source: OECD-FAO, AAFC Calculations

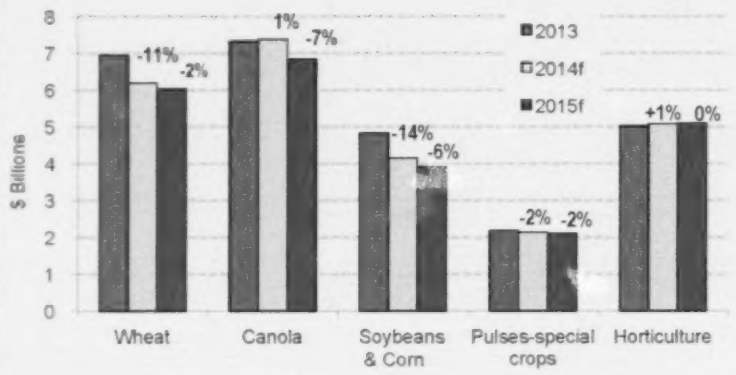
A short term decline in grain and oilseed receipts followed the record 2013 harvest

Prices for Canadian crops are highly dependent on global supply and demand conditions. Over the past 15 years, world production of grains and oilseeds has expanded and Canadian output has repeatedly set new records.

Global prices, in turn, can be significantly influenced by events that impact supply in key producing regions. Even with record world production of major crops, prices have remained relatively high.

Prices peaked in 2012 when the worst U.S. drought in nearly 60 years reduced North American production by almost 100 million tonnes (30%). Conversely, in 2013 and 2014, abundant harvests in major producing countries expanded worldwide stock levels and led to a softening in prices which will continue into 2015.

Chart 5: Crop Receipts

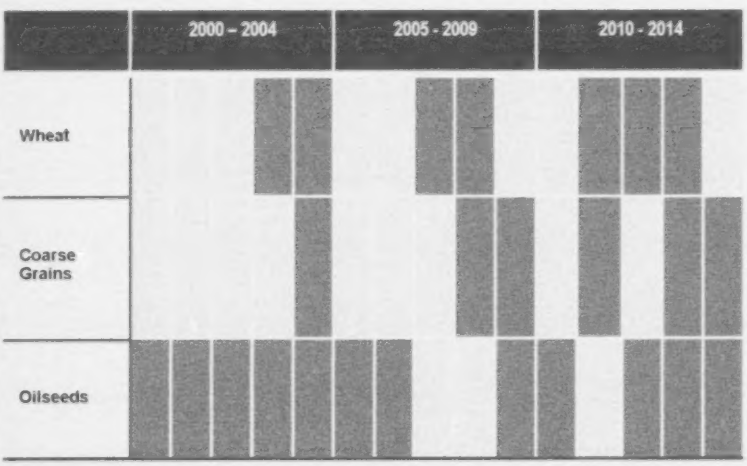


Source: Statistics Canada, AAFC Calculations

In 2014, Canada's crop sector will see receipts decline by 5% to $29.0 billion, and by 4% to $27.9 billion in 2015, due principally to prices. Although relatively lower through the forecast, world prices still remain high in historical terms.

Grain and oilseed marketings climbed in 2014, with large carry-in stocks from the record production in 2013 (up 20 million tonnes to a total of 97 million tonnes) and an above average harvest this past fall. This offset some of the impact of lower prices on farm cash receipts. Weather-related transportation slowdowns on the Prairies during the first three months of 2014 temporarily reduced the volumes of grain sold. In 2015, marketings should decline, as carry-in stocks are lower and it is assumed that the next harvest will see a return to normal yields and production levels.

Chart 6: Crop Years That Registered Record Global Production



Source: OECD-FAO-USDA, AAFC Calculations

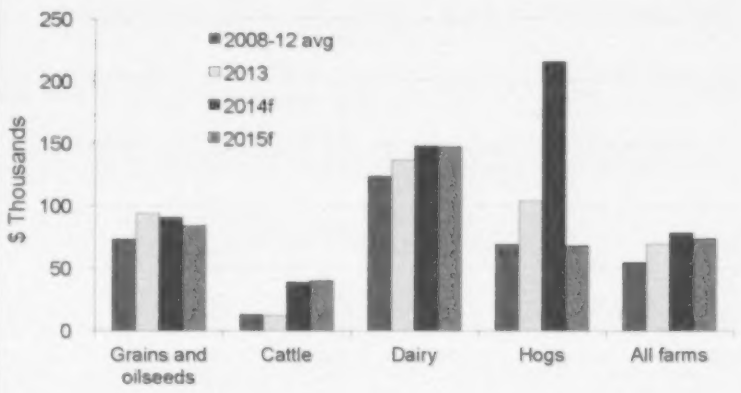
The poorer quality of some cereal crops in the 2014 harvest, especially wheat, affected prices in 2014 and 2015 as a larger share of output is being used as feed instead of going to the more lucrative milling market. Conversely, durum prices have strengthened since the end of harvest because of tightening supplies, particularly for high quality grain for pasta production.

Horticulture will see stable receipts overall in the forecast, with some growth in greenhouse receipts over the two years.

Successive reductions in the U.S. cattle herd over a prolonged period due to drought and high feed prices resulted in extremely tight supplies and record prices in 2014. Hog prices also increased significantly as the spread of Porcine Epidemic Diarrhea virus (PEDv) led to a high level of mortality in piglets and reduced U.S. supplies by around 2%.

Canadian livestock producers benefitted from the conditions that prevailed across North America in 2014. Total livestock receipts increased by 19% in 2014 to reach a record $25.5 billion, largely due to the price impact of declining herds and low slaughter animal availability. Prices for slaughter animals increased by 25-30%. In tandem with a declining cost of feed grains, this translated into sharply higher average incomes for both hog and cattle farms.

Chart 7: Average Net Operating Income by Farm Type



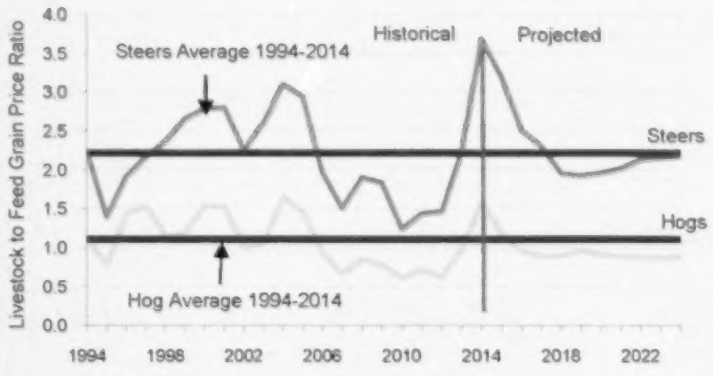
Source: Statistics Canada, AAFC Calculations

High profitability in cattle and hog production will lead to North American herd expansion and increased slaughter weights. Subsequently, as North American supplies adjust to global demand and grain and oilseed prices increase from recent lows in 2014, the price ratio between livestock and feed grains, a key indicator of profitability in the livestock sector that peaked in 2014, will return to more historical levels.

In 2015, the hog industry will produce more, and prices are forecast to decline by 15%, as the PEDv outbreak appears to be under control and high prices over the last four years have generated a supply response. Cattle, on the other hand, have a longer production cycle, which requires diverting a significant number of animals from slaughter to rebuild breeding herds. Hence, supply constraints will continue into 2015, pushing prices up approximately another 4%.

Incomes in the cattle sector are forecast to remain steady in 2015 after strong growth in 2014. Cattle producers, who normally operate on relatively low margins, will see record profits as live animal prices remain at high levels and feed grain prices continue to be soft.

Chart 8: U.S. Livestock to Feed Grain Price Ratio



Source: OECD-FAO, IMF, AAFC Calculations

Hog producers have seen high levels of price and income variability over the last decade, and this variability is expected to continue over the near term. Increased availability of slaughter hogs in North America in 2015, and its effect on prices, will lead incomes to return to long term average levels following the income surge in 2014.

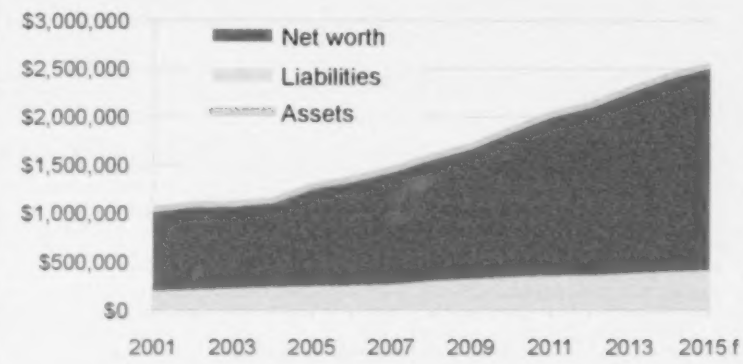
Incomes in the dairy and poultry sectors will remain at high levels compared to other sectors and will not show significant growth in 2015, as prices and costs of production are holding relatively steady.

There are other measures and dimensions of a farmer's overall economic well-being besides the farm income generated by the farm business. Net worth is the difference between the total assets of the farm and total farm debt. It represents, in a sense, the size of a farmer's nest egg should he or she decide to sell the operation.

Net worth among Canadian agricultural producers has increased steadily for an extended period, as assets have increased more than liabilities. The forecast shows net worth reaching $2.1 million for the average farm in 2015.

There is, however, considerable variability behind the average figure for all farms. For example, the net worth of average grain and oilseed farms is 10-15% higher than that of the average of all farms. Hog farms are about 30% higher, whereas average net worth of cattle farms is about one quarter lower.

Chart 9: Average Assets, Liabilities, and Net Worth of Canadian Farms



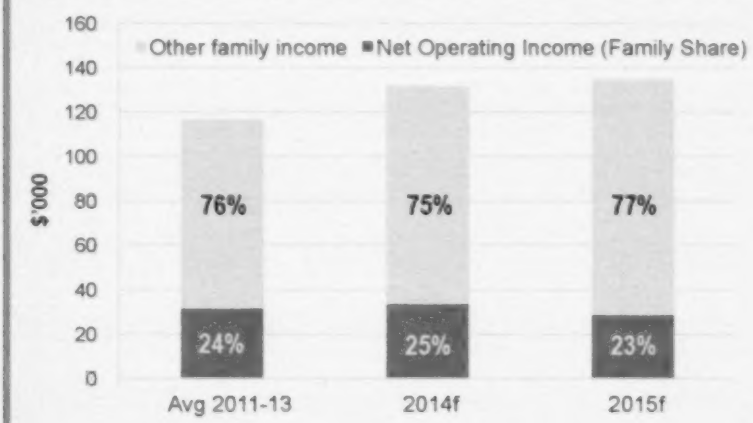
Source: Statistics Canada, AAFC Calculations

Asset growth has, in part, been fuelled by increasing land values, which have been driven by higher incomes. This has been further facilitated by the low interest rates that have prevailed since 2009. However, the ratio of total debt to total assets has remained steady for the past decade and is forecast to be 16% in 2015.

Income earned by farm families, in addition to profits from the farm operation, is another important element in overall farm family financial health. Total Farm Family Income, which includes the family's share of net operating income from the farm business and "other family income," has been rising steadily and will reach an average of $135,000 per farm family in 2015.

Other family income includes off-farm wages, investment income, and farm salaries paid to family members, and has represented 75-80% of total family income since 2001.

Chart 10: Total Farm Family Income, Average

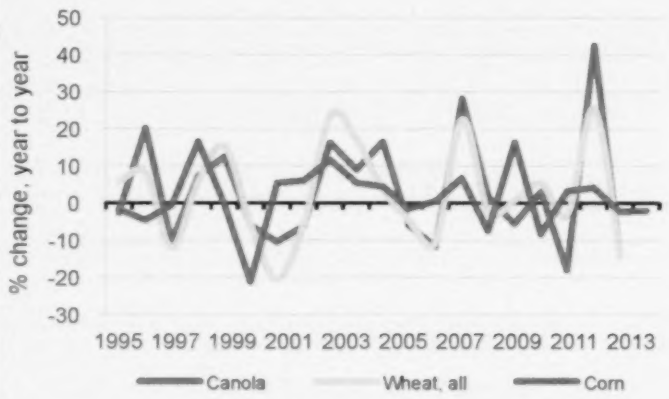


Source: Statistics Canada, AAFC Calculations

Despite the steady overall progress of Canada's agricultural sector in recent years, individual farmers invariably face several types of risks that can negatively impact their bottom line. For those who face difficulties in a given year, the suite of Business Risk Management programs is there to help them deal with their particular challenges.

Production variability due to weather conditions can greatly affect receipts. Droughts or excess moisture can reduce production by preventing seeding or by depressing yields, while disease can lower crop yields and lead to reduced livestock production.

Chart 11: Yield Volatility



Source: Statistics Canada

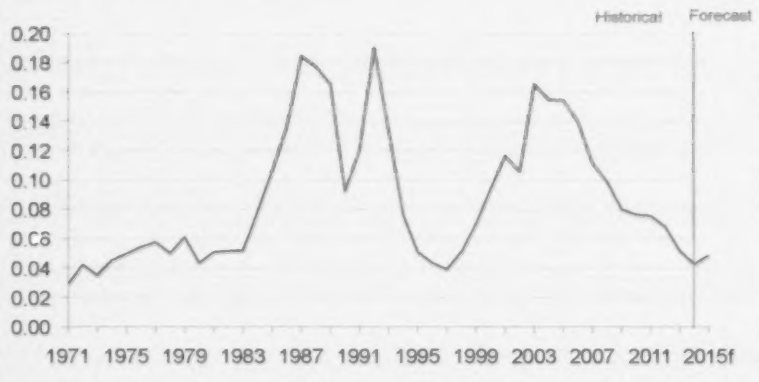
Commodity price volatility is a second major income risk factor. This is usually caused by production surges outside the country, such as the huge 2014 U.S. corn and soybean harvest or by trade disruptions, such as the closing of the US market to Canadian cattle following discovery of BSE.

A third source of risk is input cost variability. Fertilizer, feed, fuel, and purchased livestock represent about one third of total expenses, and have individually seen significant year-to-year price variation.

Nonetheless, conditions in the recent past have generally been favourable and the overall need for government assistance has declined. Payments as a proportion of receipts are presently near an all–time low.

In 2014, payments to producers are projected to decline by 14% to $2.3 billion, partly reflecting lower AgriStability and AgriInvest payments resulting from strong market-derived incomes in the last several years. Payments are forecast to increase to $2.6 billion in 2015 as a return to normal yields results in higher AgriInsurance indemnities.

Chart 12: Program Payments as a Proportion of Market Receipts



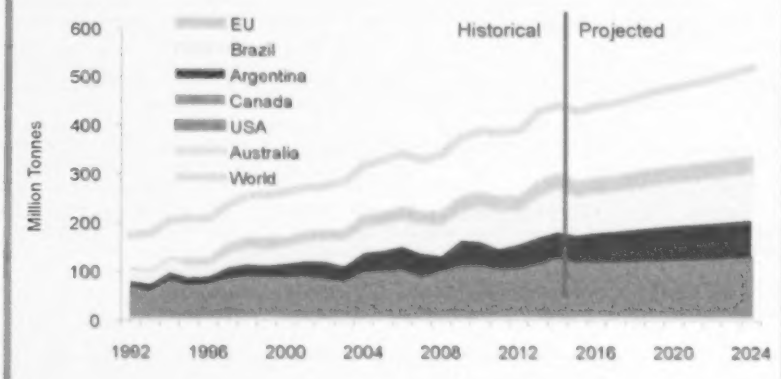
Source: Statistic Canada, AAFC Calculations

Program payments are based partly on the commodities produced in each province. Among the provinces, Nova Scotia saw a sharp increase in 2014 because of a sudden drop in fur sector incomes, while in Saskatchewan weather-related losses resulted in higher crop and hail insurance payouts. Quebec, Manitoba and Ontario saw declines in program payments.

Despite continued volatility, the medium term prospects for agriculture and agri-food demand and trade are positive. Rising global economic growth and increasing incomes in large emerging countries will continue to spur demand-side growth and Canada will continue to be an important supplier in many of these markets.

With rising demand for agricultural products, including oilseeds, competition will continue as global supplies expand to take advantage of these opportunities. In the case of oilseeds, approximately 54% of the production of major oilseeds is expected to occur in Brazil, Argentina and the U.S., with these same countries having a combined export share of about 74%. Canada's share of major oilseeds production is expected to remain around 5% of the world total, but its export share is expected to continue to increase given the size of our domestic market.

Chart 13: Major Oilseed Producers

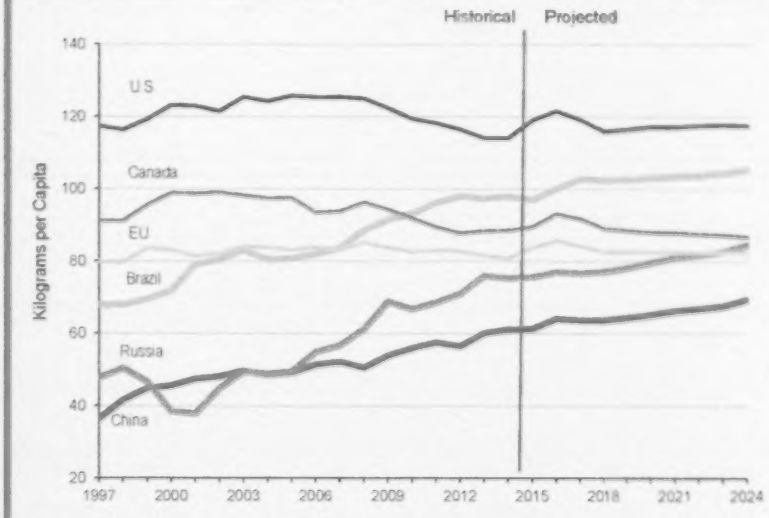


Source: OECD-FAO, AAFC Calculations

Access to growing international markets, as well as continued investments in innovation to help bolster productivity growth, will be important for Canada in ensuring its competitive position relative to other key exporters.

Medium term meat consumption prospects continue to be positive in large emerging economies where rising income, urbanization, increasing per capita consumption, and relatively large and growing population bases support increasing demand. Increased access and connectivity between markets will support rising trade over the medium term.

Chart 14: Per Capita Meat Consumption



Source: OECD-FAO, AAFC Calculations

Despite some uncertainty regarding the global supply and demand situation for grains and oilseeds in the near term, the year will still be one of the best on record. And if recent pressures on the crude oil price and the value of the Canadian dollar persist, this could lead to further upside income growth for the sector as a whole.

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Table A.1: Financial Situation, Canada, 2013 to 2015

	2013	Average 2009-13	2014	* Percent change 14/13	* Percent change 14/09-13	2015	* Percent change 15/14	* Percent change 15/09-13
Aggregate Farm Cash Receipts, Expenses and Income								
	$ million			%	%	$ million	%	%
Crop Receipts	30,619.6	26,289.3	29,001.5	-5	10	27,894.0	-4	6
Livestock Receipts	21,539.8	19,937.4	25,527.2	19	28	25,545.8	0	28
Total Market Receipts	52,159.4	46,226.7	54,528.7	5	18	53,439.9	-2	16
Program Payments	2,684.0	3,198.5	2,303.6	-14	-28	2,590.2	12	-19
Total Cash Receipts	54,843.4	49,425.2	56,832.3	4	15	56,030.1	-1	13
Net Operating Expenses	42,166.2	38,654.6	42,879.8	2	11	42,982.7	0	11
Net Cash Income	12,677.2	10,770.6	13,952.5	10	30	13,047.3	-6	21
Realized Net Income	6,372.9	4,948.3	7,403.5	16	50	6,355.2	-14	28
Total Net Income**	12,014.3	5,938.9	5,142.8	-57	-13	6,169.0	20	4
Range for Net Cash Income Forecast								
	$ million			%	%	$ million	%	%
Lowest Value			12,543.3	-1	16	9,863.8	-29	-8
Net Cash Income	12,677.2	10,770.6	13,952.5	10	30	13,047.3	-6	21
Highest Value			15,361.7	21	43	16,230.9	16	51
Average Net Operating Income								
	$ per farm			%	%	$ per farm	%	%
Farm Market Receipts	372,044	329,131	401,861	8	22	402,373	0	22
Program Payments	15,904	18,010	13,882	-13	-23	15,711	13	-13
Farm Expenses	318,276	287,739	337,604	6	17	344,400	2	20
Net Operating Income	69,673	59,402	78,139	12	32	73,685	-6	24
Average Balance Sheet								
Total Assets (TA)	2,285,395	2,007,937	2,427,873	6	21	2,531,880	4	26
Total Liabilities (TL)	382,196	354,026	400,204	5	13	415,672	4	17
Net Worth (NW)	1,903,199	1,653,911	2,027,670	7	23	2,116,209	4	28
Average Total Family Income								
	$ per family			%	%	$ per family	%	%
Net Operating Income	29,885	26,989	33,517	12	24	31,606	-6	17
Other Family Income	92,613	85,312	98,078	6	15	103,325	5	21
Total Family Income	122,498	112,301	131,595	7	17	134,931	3	20

Source: Statistics Canada, CANSIM Tables 002-0001 and 002-0009.
Agriculture and Agri-Food Canada: forecast figures for 2014 and 2015, except for Total Family Income, Net Worth and Net Operating Income with forecast figures for 2013 to 2015.

Note: Due to differences in concepts, the trends in the aggregate and farm level performance indicators may differ.

* The percent change calculation may not be exact due to rounding.

** Total net income takes into account changes in the value of inventories while Net cash income does not. The unprecedented 2013 harvest in western Canada resulted in very high ending inventories. However, a more normal harvest in 2014 led to reduced ending inventories in that year, meaning that the value of inventories declined from 2013 to 2014. This decline in the value of inventories therefore reduces total net income for 2014.

Table A.2: Net Operating Income per farm by farm type, Canada, 2013 to 2015

Farm Type	Farm Market Receipts	Program Payments	Farm Expenses	Net Operating Income
		Average per farm for 2009-2013 ($)		
Grains and oilseeds	282,559	21,659	224,471	79,747
Potato	1,144,633	84,157	1,020,826	207,964
Vegetable	436,144	22,648	394,738	64,053
Fruit	227,665	17,823	213,150	32,337
Greenhouse	1,052,386	28,613	968,728	112,270
Cattle	235,496	11,030	234,125	12,401
Dairy	546,641	10,656	427,397	129,899
Hogs	1,446,190	127,408	1,493,520	80,077
Poultry & Eggs	1,121,051	10,017	960,608	170,460
All Farms	329,131	18,010	287,739	59,402
		Average per farm in 2013 ($)		
Grains and oilseeds	329,737	19,976	255,889	93,823
Potato	1,280,888	93,103	1,157,861	216,130
Vegetable	471,788	22,918	415,596	79,110
Fruit	242,795	18,600	223,249	38,146
Greenhouse	1,165,023	34,598	1,060,860	138,760
Cattle	275,840	7,966	271,664	12,142
Dairy	595,216	8,848	467,436	136,628
Hogs	1,822,744	107,496	1,825,982	104,258
Poultry & Eggs	1,178,342	8,242	991,465	195,119
All Farms	372,044	15,904	318,276	69,673
		Average per farm in 2014 ($)		
Grains and oilseeds	318,954	20,581	248,989	90,546
Potato	1,321,827	73,411	1,183,648	211,591
Vegetable	470,644	17,868	413,936	74,577
Fruit	255,459	13,845	228,281	41,023
Greenhouse	1,195,430	19,714	1,075,126	140,018
Cattle	373,746	5,862	340,844	38,764
Dairy	628,089	4,610	485,107	147,592
Hogs	2,274,346	40,086	2,099,093	215,339
Poultry & Eggs	1,160,429	3,814	951,715	212,527
All Farms	401,861	13,882	337,604	78,139
		Average per farm in 2015 ($)		
Grains and oilseeds	310,604	23,251	249,723	84,132
Potato	1,303,405	96,806	1,166,944	233,267
Vegetable	474,375	20,016	418,386	76,005
Fruit	254,476	15,932	228,789	41,619
Greenhouse	1,226,237	21,648	1,104,585	143,300
Cattle	395,290	7,423	362,738	39,974
Dairy	650,685	5,169	508,734	147,120
Hogs	1,978,130	38,899	1,948,714	68,315
Poultry & Eggs	1,195,482	5,277	984,625	216,134
All Farms	402,373	15,711	344,400	73,685

Source: Statistics Canada Whole Farm Data Project, AAFC 2013-2015 forecasts.

Table A.3: Total Family Income per family by farm type, Canada, 2013 to 2015

Farm Type	Net Operating Income	Other Family Income	Total Family Income
	Average per farm for 2009-2013 ($)		
Grains and oilseeds	42,733	90,239	132,972
Potato	41,130	54,156	95,286
Vegetable	23,092	60,612	83,704
Fruit	12,228	83,837	96,065
Greenhouse	17,592	71,031	88,622
Cattle	10,379	87,873	98,252
Dairy	8,212	39,749	47,960
Hogs	80,018	59,343	139,361
Poultry & Eggs	44,617	74,385	119,002
All Farms	26,989	85,312	112,301
	Average per family in 2013 ($)		
Grains and oilseeds	46,797	97,911	144,708
Potato	42,837	57,488	100,325
Vegetable	28,125	65,358	93,483
Fruit	13,792	89,168	102,960
Greenhouse	20,793	74,722	95,515
Cattle	8,298	95,393	103,691
Dairy	81,812	43,001	124,813
Hogs	54,792	65,900	120,693
Poultry & Eggs	58,917	81,787	140,704
All Farms	29,885	92,613	122,498
	Average per family in 2014 ($)		
Grains and oilseeds	45,162	103,721	148,884
Potato	41,937	60,630	102,568
Vegetable	26,513	69,268	95,781
Fruit	14,832	94,540	109,371
Greenhouse	20,981	79,298	100,279
Cattle	26,492	100,961	127,453
Dairy	88,377	45,487	133,865
Hogs	113,171	69,628	182,799
Poultry & Eggs	64,174	86,583	150,757
All Farms	33,517	98,078	131,595
	Average per family in 2015 ($)		
Grains and oilseeds	41,963	109,268	151,231
Potato	46,233	64,054	110,287
Vegetable	27,021	73,012	100,033
Fruit	15,047	99,621	114,668
Greenhouse	21,473	83,603	105,076
Cattle	27,319	106,386	133,704
Dairy	88,095	47,950	136,045
Hogs	35,903	73,464	109,367
Poultry & Eggs	65,263	91,194	156,457
All Farms	31,606	103,325	134,931

Source: Statistics Canada Whole Farm Data Project, AAFC 2013-2015 forecasts.

Table B.1: Financial Situation, Newfoundland and Labrador, 2013 to 2015

	2013	Average 2009-13	2014	* Percent change 14/13	* Percent change 14/09-13	2015	* Percent change 15/14	* Percent change 15/09-13
Aggregate Farm Cash Receipts, Expenses and Income								
	$ million			%	%	$ million	%	%
Crop Receipts	17.2	17.4	17.8	4	2	18.1	2	4
Livestock Receipts	120.0	104.2	111.4	-7	7	117.6	6	13
Total Market Receipts	137.2	121.6	129.2	-6	6	135.7	5	12
Program Payments	0.4	0.7	0.6	37	-14	0.8	32	13
Total Cash Receipts	137.6	122.3	129.8	-6	6	136.4	5	12
Net Operating Expenses	117.9	109.8	118.5	1	8	119.3	1	9
Net Cash Income	19.7	12.5	11.3	-43	-10	17.1	51	37
Realized Net Income	11.1	4.2	2.5	-77	-40	8.2	227	95
Total Net Income	11.2	3.8	2.5	-78	-34	8.4	237	123
Range for Net Cash Income Forecast								
	$ million			%	%	$ million	%	%
Lowest Value			3.6	-82	-71	-2.5	-122	-120
Net Cash Income	19.7	12.5	11.3	-43	-10	17.1	51	37
Highest Value			19.0	-4	52	36.7	225	194
Average Net Operating Income								
	$ per farm			%	%	$ per farm	%	%
Farm Market Receipts	579,982	566,805	598,869	3	6	619,075	3	9
Program Payments	14,796	13,718	20,549	39	50	27,641	35	101
Farm Expenses	499,884	500,695	548,667	10	10	546,958	0	9
Net Operating Income	94,894	79,828	70,751	-25	-11	99,757	41	25
Average Total Family Income								
	$ per family			%	%	$ per family	%	%
Net Operating Income	23,581	20,480	17,581	-25	-14	24,789	41	21
Other Family Income	x	x	x	x	x	x	x	x
Total Family Income	x	x	x	x	x	x	x	x

Source: Statistics Canada, CANSIM Tables 002-0001 and 002-0009.
Agriculture and Agri-Food Canada: forecast figures for 2014 and 2015, except for Total Family Income and Net Operating Income, with forecast figures for 2013 to 2015.

Note: Due to differences in concepts, the trends in the aggregate and farm level performance indicators may differ.

* The percent change calculation may not be exact due to rounding.
x Suppressed to meet the confidentiality requirements of the Statistics Act.

Table B.2: Financial Situation, Prince Edward Island, 2013 to 2015

	2013	Average 2009-13	2014	* Percent change 14/13	* Percent change 14/09-13	2015	* Percent change 15/14	* Percent change 15/09-13
Aggregate Farm Cash Receipts, Expenses and Income								
	$ million			%	%	$ million	%	%
Crop Receipts	320.8	293.2	334.1	4	14	333.6	0	14
Livestock Receipts	144.2	132.9	144.6	0	9	152.4	5	15
Total Market Receipts	465.0	426.1	478.6	3	12	486.0	2	14
Program Payments	31.2	30.8	21.9	-30	-29	22.8	4	-26
Total Cash Receipts	496.2	456.9	500.5	1	10	508.8	2	11
Net Operating Expenses	385.7	369.8	386.1	0	4	385.8	0	4
Net Cash Income	110.4	87.1	114.5	4	31	123.0	7	41
Realized Net Income	64.2	44.2	66.6	4	51	73.9	11	67
Total Net Income	63.6	45.9	65.7	3	43	72.2	10	57
Range for Net Cash Income Forecast								
	$ million			%	%	$ million	%	%
Lowest Value			56.7	-49	-35	63.5	-45	-27
Net Cash Income	110.4	87.1	114.5	4	31	123.0	7	41
Highest Value			172.3	56	98	182.5	59	109
Average Net Operating Income								
	$ per farm			%	%	$ per farm	%	%
Farm Market Receipts	462,443	435,039	494,847	7	14	507,176	2	17
Program Payments	30,077	30,189	21,395	-29	-29	22,563	5	-25
Farm Expenses	420,351	398,837	440,366	5	10	445,177	1	12
Net Operating Income	72,169	66,391	75,876	5	14	84,562	11	27
Average Total Family Income								
	$ per family			%	%	$ per family	%	%
Net Operating Income	21,091	20,426	22,174	5	9	24,712	11	21
Other Family Income	72,165	67,798	75,291	4	11	79,261	5	17
Total Family Income	93,256	88,224	97,465	5	10	103,973	7	18

Source: Statistics Canada, CANSIM Tables 002-0001 and 002-0009.
Agriculture and Agri-Food Canada: forecast figures for 2014 and 2015, except for Total Family Income and Net Operating Income, with forecast figures for 2013 to 2015.

Note: Due to differences in concepts, the trends in the aggregate and farm level performance indicators may differ.

* The percent change calculation may not be exact due to rounding.

Table B.3: Financial Situation, Nova Scotia, 2013 to 2015

	2013	Average 2009-13	2014	* Percent change 14/13	* Percent change 14/09-13	2015	* Percent change 15/14	* Percent change 15/09-13
Aggregate Farm Cash Receipts, Expenses and Income								
	$ million			%	%	$ million	%	%
Crop Receipts	159.6	140.4	163.6	2	17	146.2	-11	4
Livestock Receipts	422.9	378.6	355.8	-16	-6	414.2	16	9
Total Market Receipts	582.5	519.0	519.4	-11	0	560.5	8	8
Program Payments	10.7	13.0	38.4	260	195	23.8	-38	83
Total Cash Receipts	593.2	532.0	557.8	-6	5	584.3	5	10
Net Operating Expenses	480.2	448.3	485.8	1	8	488.8	1	9
Net Cash Income	113.0	83.7	72.0	-36	-14	95.5	33	14
Realized Net Income	50.0	23.3	7.5	-85	-68	29.6	296	27
Total Net Income	52.1	22.0	3.8	-93	-83	31.3	724	43
Range for Net Cash Income Forecast								
	$ million			%	%	$ million	%	%
Lowest Value			55.0	-51	-34	53.5	-26	-36
Net Cash Income	113.0	83.7	72.0	-36	-14	95.5	33	14
Highest Value			89.0	-21	6	137.5	91	64
Average Net Operating Income								
	$ per farm			%	%	$ per farm	%	%
Farm Market Receipts	395,097	346,508	367,776	-7	6	396,267	8	14
Program Payments	10,903	10,452	39,787	265	281	25,024	-37	139
Farm Expenses	323,464	299,316	332,123	3	11	339,402	2	13
Net Operating Income	82,536	57,644	75,439	-9	31	81,890	9	42
Average Total Family Income								
	$ per family			%	%	$ per family	%	%
Net Operating Income	25,966	19,789	23,733	-9	20	25,763	9	30
Other Family Income	71,142	67,805	74,037	4	9	77,193	4	14
Total Family Income	97,108	87,594	97,771	1	12	102,956	5	18

Source: Statistics Canada, CANSIM Tables 002-0001 and 002-0009.
Agriculture and Agri-Food Canada: forecast figures for 2014 and 2015, except for Total Family Income and Net Operating Income, with forecast figures for 2013 to 2015.

Note: Due to differences in concepts, the trends in the aggregate and farm level performance indicators may differ.

* The percent change calculation may not be exact due to rounding.

Table B.4: Financial Situation, New Brunswick, 2013 to 2015

	2013	Average 2009-13	2014	* Percent change 14/13	* Percent change 14/09-13	2015	* Percent change 15/14	* Percent change 15/09-13
Aggregate Farm Cash Receipts, Expenses and Income								
	$ million			%	%	$ million	%	%
Crop Receipts	293.3	260.6	303.4	3	16	292.4	-4	12
Livestock Receipts	258.9	239.1	255.7	-1	7	265.8	4	11
Total Market Receipts	552.3	499.8	559.1	1	12	558.3	0	12
Program Payments	20.9	26.5	15.2	-27	-42	10.6	-30	-60
Total Cash Receipts	573.1	526.3	574.3	0	9	568.9	-1	8
Net Operating Expenses	437.9	426.2	429.1	-2	1	436.2	2	2
Net Cash Income	135.2	100.1	145.2	7	45	132.7	-9	33
Realized Net Income	80.2	46.8	88.9	11	90	75.4	-15	61
Total Net Income	70.2	43.3	85.3	21	97	66.6	-22	54
Range for Net Cash Income Forecast								
	$ million			%	%	$ million	%	%
Lowest Value			105.0	-22	5	87.6	-40	-13
Net Cash Income	135.2	100.1	145.2	7	45	132.7	-9	33
Highest Value			185.4	37	85	177.9	23	78
Average Net Operating Income								
	$ per farm			%	%	$ per farm	%	%
Farm Market Receipts	398,761	394,924	412,509	3	4	413,608	0	5
Program Payments	14,492	21,287	10,715	-26	-50	7,569	-29	-64
Farm Expenses	352,142	354,747	353,989	1	0	360,047	2	1
Net Operating Income	61,112	61,465	69,234	13	13	61,130	-12	-1
Average Total Family Income								
	$ per family			%	%	$ per family	%	%
Net Operating Income	16,657	16,952	18,871	13	11	16,662	-12	-2
Other Family Income	67,968	64,486	70,478	4	9	73,329	4	14
Total Family Income	84,625	81,438	89,349	6	10	89,990	1	11

Source: Statistics Canada, CANSIM Tables 002-0001 and 002-0009.
Agriculture and Agri-Food Canada: forecast figures for 2014 and 2015, except for Total Family Income and Net Operating Income, with forecast figures for 2013 to 2015.

Note: Due to differences in concepts, the trends in the aggregate and farm level performance indicators may differ.

* The percent change calculation may not be exact due to rounding.

Table B.5: Financial Situation, Quebec, 2013 to 2015

	2013	Average 2009-13	2014	* Percent change 14/13	* Percent change 14/09-13	2015	* Percent change 15/14	* Percent change 15/09-13
Aggregate Farm Cash Receipts, Expenses and Income								
	$ million			%	%	$ million	%	%
Crop Receipts	2,742.4	2,410.5	2,489.3	-9	3	2,364.4	-5	-2
Livestock Receipts	5,052.1	4,720.1	5,561.4	10	18	5,413.7	-3	15
Total Market Receipts	7,794.5	7,130.6	8,050.7	3	13	7,778.1	-3	9
Program Payments	505.7	721.6	305.0	-40	-58	353.4	16	-51
Total Cash Receipts	8,300.1	7,852.2	8,355.7	1	6	8,131.4	-3	4
Net Operating Expenses	6,364.2	5,993.8	6,307.6	-1	5	6,323.1	0	5
Net Cash Income	1,935.9	1,858.5	2,048.1	6	10	1,808.4	-12	-3
Realized Net Income	1,092.3	1,065.1	1,176.3	8	10	914.2	-22	-14
Total Net Income	1,164.9	1,069.0	1,073.2	-8	0	881.1	-18	-18
Range for Net Cash Income Forecast								
	$ million			%	%	$ million	%	%
Lowest Value			1,708.1	-12	-8	1,262.2	-38	-32
Net Cash Income	1,935.9	1,858.5	2,048.1	6	10	1,808.4	-12	-3
Highest Value			2,388.1	23	28	2,354.5	15	27
Average Net Operating Income								
	$ per farm			%	%	$ per farm	%	%
Farm Market Receipts	406,070	368,083	431,270	6	17	424,888	-1	15
Program Payments	22,680	29,149	13,861	-39	-52	16,271	17	-44
Farm Expenses	356,517	333,757	367,787	3	10	372,957	1	12
Net Operating Income	72,233	63,475	77,344	7	22	68,202	-12	7
Average Total Family Income								
	$ per family			%	%	$ per family	%	%
Net Operating Income	38,370	34,466	41,085	7	19	36,229	-12	5
Other Family Income	62,320	58,267	64,860	4	11	67,980	5	17
Total Family Income	100,690	92,734	105,945	5	14	104,209	-2	12

Source: Statistics Canada, CANSIM Tables 002-0001 and 002-0009.
Agriculture and Agri-Food Canada: forecast figures for 2014 and 2015, except for Total Family Income and Net Operating Income, with forecast figures for 2013 to 2015.

Note: Due to differences in concepts, the trends in the aggregate and farm level performance indicators may differ.

* The percent change calculation may not be exact due to rounding.

Table B.6: Financial Situation, Ontario, 2013 to 2015

	2013	Average 2009-13	2014	* Percent change 14/13	* Percent change 14/09-13	2015	* Percent change 15/14	* Percent change 15/09-13
Aggregate Farm Cash Receipts, Expenses and Income								
	$ million			%	%	$ million	%	%
Crop Receipts	6,424.5	5,656.0	5,996.5	-7	6	5,887.7	-2	4
Livestock Receipts	5,515.4	5,090.6	6,158.0	12	21	6,082.0	-1	19
Total Market Receipts	11,939.8	10,746.6	12,154.4	2	13	11,969.7	-2	11
Program Payments	349.9	319.5	307.3	-12	-4	328.4	7	3
Total Cash Receipts	12,289.7	11,066.0	12,461.7	1	13	12,298.1	-1	11
Net Operating Expenses	9,579.4	8,954.9	9,752.1	2	9	9,791.2	0	9
Net Cash Income	2,710.3	2,111.1	2,709.6	0	28	2,506.9	-7	19
Realized Net Income	1,341.8	834.0	1,291.0	-4	55	1,050.9	-19	26
Total Net Income	1,404.2	893.8	1,263.5	-10	41	1,032.0	-18	15
Range for Net Cash Income Forecast								
	$ million			%	%	$ million	%	%
Lowest Value			2,248.9	-17	7	1,647.0	-39	-22
Net Cash Income	2,710.3	2,111.1	2,709.6	0	28	2,506.9	-7	19
Highest Value			3,170.2	17	50	3,366.8	24	59
Average Net Operating Income								
	$ per farm			%	%	$ per farm	%	%
Farm Market Receipts	350,049	325,332	364,074	4	12	364,766	0	12
Program Payments	9,649	8,957	8,586	-11	-4	9,297	8	4
Farm Expenses	297,870	282,506	310,203	4	10	315,612	2	12
Net Operating Income	61,828	51,783	62,458	1	21	58,451	-6	13
Average Total Family Income								
	$ per family			%	%	$ per family	%	%
Net Operating Income	26,015	22,037	26,279	1	19	24,594	-6	12
Other Family Income	94,073	87,492	99,334	6	14	104,518	5	19
Total Family Income	120,087	109,529	125,613	5	15	129,111	3	18

Source: Statistics Canada, CANSIM Tables 002-0001 and 002-0009.
Agriculture and Agri-Food Canada: forecast figures for 2014 and 2015, except for Total Family Income and Net Operating Income, with forecast figures for 2013 to 2015.

Note: Due to differences in concepts, the trends in the aggregate and farm level performance indicators may differ.

* The percent change calculation may not be exact due to rounding.

Table B.7: Financial Situation, Manitoba, 2013 to 2015

	2013	Average 2009-13	2014	* Percent change 14/13	* Percent change 14/09-13	2015	* Percent change 15/14	* Percent change 15/09-13
Aggregate Farm Cash Receipts, Expenses and Income								
	$ million			%	%	$ million	%	%
Crop Receipts	3,404.0	2,834.1	3,204.1	-6	13	2,840.2	-11	0
Livestock Receipts	1,991.6	1,849.0	2,560.0	29	38	2,433.3	-5	32
Total Market Receipts	5,395.6	4,683.1	5,764.2	7	23	5,273.4	-9	13
Program Payments	370.9	420.4	288.8	-22	-31	370.7	28	-12
Total Cash Receipts	5,766.5	5,103.5	6,052.9	5	19	5,644.1	-7	11
Net Operating Expenses	4,503.6	4,094.1	4,529.5	1	11	4,547.4	0	11
Net Cash Income	1,262.9	1,009.4	1,523.4	21	51	1,096.7	-28	9
Realized Net Income	656.1	450.8	891.6	36	98	451.7	-49	0
Total Net Income	1,406.7	544.4	437.2	-69	-20	536.7	23	-1
Range for Net Cash Income Forecast								
	$ million			%	%	$ million	%	%
Lowest Value			1,253.8	-1	24	713.9	-53	-29
Net Cash Income	1,262.9	1,009.4	1,523.4	21	51	1,096.7	-28	9
Highest Value			1,793.1	42	78	1,479.4	-3	47
Average Net Operating Income								
	$ per farm			%	%	$ per farm	%	%
Farm Market Receipts	439,024	363,011	481,400	10	33	459,720	-5	27
Program Payments	24,038	28,689	18,961	-21	-34	24,661	30	-14
Farm Expenses	387,120	324,727	404,684	5	25	418,270	3	29
Net Operating Income	75,942	66,973	95,677	26	43	66,111	-31	-1
Average Total Family Income								
	$ per family			%	%	$ per family	%	%
Net Operating Income	31,717	30,212	39,959	26	32	27,611	-31	-9
Other Family Income	72,941	68,052	77,150	6	13	81,732	6	20
Total Family Income	104,659	98,265	117,109	12	19	109,343	-7	11

Source: Statistics Canada, CANSIM Tables 002-0001 and 002-0009.
Agriculture and Agri-Food Canada: forecast figures for 2014 and 2015, except for Total Family Income and Net Operating Income, with forecast figures for 2013 to 2015.

Note: Due to differences in concepts, the trends in the aggregate and farm level performance indicators may differ.

* The percent change calculation may not be exact due to rounding.

Table B.8: Financial Situation, Saskatchewan, 2013 to 2015

	2013	Average 2009-13	2014	* Percent change 14/13	* Percent change 14/09-13	2015	* Percent change 15/14	* Percent change 15/09-13
Aggregate Farm Cash Receipts, Expenses and Income								
	$ million			%	%	$ million	%	%
Crop Receipts	9,589.7	8,180.6	9,286.2	-3	14	9,150.4	-1	12
Livestock Receipts	1,893.4	1,646.6	2,637.0	39	60	2,764.9	5	68
Total Market Receipts	11,483.2	9,827.2	11,923.2	4	21	11,915.2	0	21
Program Payments	654.8	838.9	706.6	8	-16	784.3	11	-7
Total Cash Receipts	12,138.0	10,666.1	12,629.9	4	18	12,699.5	1	19
Net Operating Expenses	8,268.8	7,321.5	8,349.1	1	14	8,353.4	0	14
Net Cash Income	3,869.2	3,344.6	4,280.8	11	28	4,346.2	2	30
Realized Net Income	2,457.9	2,082.1	2,810.4	14	35	2,846.7	1	37
Total Net Income	5,519.2	2,637.0	1,647.4	-70	-38	2,731.4	66	4
Range for Net Cash Income Forecast								
	$ million			%	%	$ million	%	%
Lowest Value			3,625.8	-6	8	2,964.1	-31	-11
Net Cash Income	3,869.2	3,344.6	4,280.8	11	28	4,346.2	2	30
Highest Value			4,935.7	28	48	5,728.3	34	71
Average Net Operating Income								
	$ per farm			%	%	$ per farm	%	%
Farm Market Receipts	300,691	255,451	324,879	8	27	331,097	2	30
Program Payments	16,238	18,818	17,754	9	-6	19,964	12	6
Farm Expenses	245,894	208,717	259,474	6	24	265,172	2	27
Net Operating Income	71,034	65,552	83,159	17	27	85,890	3	31
Average Total Family Income								
	$ per family			%	%	$ per family	%	%
Net Operating Income	32,553	32,738	38,109	17	16	39,360	3	20
Other Family Income	93,740	84,281	100,560	7	19	106,229	6	26
Total Family Income	126,292	117,019	138,669	10	19	145,589	5	24

Source: Statistics Canada, CANSIM Tables 002-0001 and 002-0009.
Agriculture and Agri-Food Canada: forecast figures for 2014 and 2015, except for Total Family Income and Net Operating Income, with forecast figures for 2013 to 2015.

Note: Due to differences in concepts, the trends in the aggregate and farm level performance indicators may differ.

* The percent change calculation may not be exact due to rounding.

Table B.9: Financial Situation, Alberta, 2013 to 2015

	2013	Average 2009-13	2014	* Percent change 14/13	* Percent change 14/09-13	2015	* Percent change 15/14	* Percent change 15/09-13
Aggregate Farm Cash Receipts, Expenses and Income								
	$ million			%	%	$ million	%	%
Crop Receipts	6,302.9	5,233.8	5,789.7	-8	11	5,445.6	-6	4
Livestock Receipts	4,774.7	4,474.3	6,218.8	30	39	6,315.6	2	41
Total Market Receipts	11,077.7	9,708.1	12,008.5	8	24	11,761.1	-2	21
Program Payments	695.2	758.9	586.1	-16	-23	645.7	10	-15
Total Cash Receipts	11,772.8	10,467.0	12,594.5	7	20	12,406.8	-1	19
Net Operating Expenses	9,462.2	8,540.8	9,912.7	5	16	9,906.0	0	16
Net Cash Income	2,310.6	1,926.2	2,681.8	16	39	2,500.9	-7	30
Realized Net Income	793.8	527.9	1,094.9	38	107	882.8	-19	67
Total Net Income	2,435.7	797.6	598.3	-75	-25	769.4	29	-4
Range for Net Cash Income Forecast								
	$ million			%	%	$ million	%	%
Lowest Value			2,266.2	-2	18	1,520.5	-43	-21
Net Cash Income	2,310.6	1,926.2	2,681.8	16	39	2,500.9	-7	30
Highest Value			3,097.5	34	61	3,481.2	30	81
Average Net Operating Income								
	$ per farm			%	%	$ per farm	%	%
Farm Market Receipts	403,624	348,525	451,207	12	29	453,032	0	30
Program Payments	17,512	18,244	14,958	-15	-18	16,698	12	-8
Farm Expenses	343,774	306,871	378,307	10	23	385,393	2	26
Net Operating Income	77,361	59,898	87,857	14	47	84,336	-4	41
Average Total Family Income								
	$ per family			%	%	$ per family	%	%
Net Operating Income	34,456	28,851	39,131	14	36	37,563	-4	30
Other Family Income	122,698	108,006	133,154	9	23	141,525	6	31
Total Family Income	157,154	136,856	172,285	10	26	179,088	4	31

Source: Statistics Canada, CANSIM Tables 002-0001 and 002-0009.
Agriculture and Agri-Food Canada: forecast figures for 2014 and 2015, except for Total Family Income and Net Operating Income, with forecast figures for 2013 to 2015.

Note: Due to differences in concepts, the trends in the aggregate and farm level performance indicators may differ.

* The percent change calculation may not be exact due to rounding.

Table B.10: Financial Situation, British Columbia, 2013 to 2015

	2013	Average 2009-13	2014	* Percent change 14/13	* Percent change 14/09-13	2015	* Percent change 15/14	* Percent change 15/09-13
Aggregate Farm Cash Receipts, Expenses and Income								
	$ million			%	%	$ million	%	%
Crop Receipts	1,365.0	1,262.6	1,416.8	4	12	1,415.5	0	12
Livestock Receipts	1,366.8	1,302.0	1,524.6	12	17	1,586.5	4	22
Total Market Receipts	2,731.8	2,564.6	2,941.4	8	15	3,001.9	2	17
Program Payments	44.4	68.2	33.7	-24	-51	49.7	47	-27
Total Cash Receipts	2,776.2	2,632.8	2,975.1	7	13	3,051.6	3	16
Net Operating Expenses	2,566.2	2,395.4	2,609.3	2	9	2,631.6	1	10
Net Cash Income	210.0	237.4	365.8	74	54	420.0	15	77
Realized Net Income	-174.5	-130.1	-26.1	**	**	21.8	**	**
Total Net Income	-113.5	-117.9	-34.2	**	**	39.8	**	**
Range for Net Cash Income Forecast								
	$ million			%	%	$ million	%	%
Lowest Value			243.6	16	3	192.0	-48	-19
Net Cash Income	210.0	237.4	365.8	74	54	420.0	15	77
Highest Value			488.0	132	106	648.1	77	173
Average Net Operating Income								
	$ per farm			%	%	$ per farm	%	%
Farm Market Receipts	402,149	375,465	455,212	13	21	470,377	3	25
Program Payments	6,144	8,967	4,719	-23	-47	7,045	49	-21
Farm Expenses	358,935	341,530	394,075	10	15	404,379	3	18
Net Operating Income	49,359	42,903	65,856	33	54	73,043	11	70
Average Total Family Income								
	$ per family			%	%	$ per family	%	%
Net Operating Income	8,375	7,234	11,174	33	54	12,394	11	71
Other Family Income	99,473	92,047	105,937	6	15	111,746	5	21
Total Family Income	107,848	99,282	117,112	9	18	124,140	6	25

Source: Statistics Canada, CANSIM Tables 002-0001 and 002-0009.
Agriculture and Agri-Food Canada: forecast figures for 2014 and 2015, except for Total Family Income and Net Operating Income, with forecast figures for 2013 to 2015

Note: Due to differences in concepts, the trends in the aggregate and farm level performance indicators may differ.

* The percent change calculation may not be exact due to rounding
** The calculation of percent change involving a negative number yields a counter-intuitive, though arithmetically correct result.